



2014

Highlights of 2014

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Tax Forms and Publications**



New & Changed Forms

- Schedule M-3 burden reduction requirements are changing for 2014
- New filing thresholds





Simplified Method

What is the simplified method for determining the home office deduction?

- Election available for taxable years that begin after December 31, 2012.
- Easier way to determine the amount of expenses you can deduct for a qualified business use of the home
- Standard \$5 per square foot

Scholarships & Fellowships

What is a scholarship:

- A scholarship is generally an amount paid or allowed to a student at an educational institution for the purpose of study

What is a fellowship

- A fellowship is generally an amount paid to an individual for the purpose of research

When are they included in income?





Earned Income Tax Credit

What is the Earned Income Tax Credit?

EITC, Earned Income Tax Credit, is a benefit for working people who have low to moderate income.

If you qualify for the EITC, you have to file a tax return with the IRS, even if you owe no tax or are not required to file.

<http://www.irs.gov/Individuals/EITC-Home>

Form 1098-T

- Form 1098-T: Tuition Payments Statement is the information return that colleges and universities are required to issue for the purposes of determining a student's eligibility for the Hope and Lifetime Learning education tax credits.

1 Payments received for qualified tuition and related expenses

\$

2 Amounts billed for qualified tuition and related expenses

\$

5 Scholarships or grants

\$

E-Signatures

- Allowed on Form 8878 and 8879 series
- No specific technology required
- Identity verification required
- Expansion planned



Alternative Minimum Tax

- Repayment of excess advance premium tax credit (Form 8962) is regular tax for the AMT
- Patch Permanent
- Inflation adjustments
- Capital Gains Rates



Direct Deposit Restrictions

- Only three direct deposit refunds per financial account (subsequent refunds convert to checks)
- Direct deposit only into account(s) bearing client's (taxpayer's) name(s)
- No portion of refund may go into preparer's account



IRS.gov

- Forms and pubs: [IRS.gov/forms-pubs](https://www.irs.gov/forms-pubs)
- Draft forms: [IRS.gov/draft-forms](https://www.irs.gov/draft-forms)
- [IRS.gov/aca](https://www.irs.gov/aca)
- [IRS.gov/ptin](https://www.irs.gov/ptin)
- [IRS.gov/efile](https://www.irs.gov/efile)
- [IRS.gov/eservices](https://www.irs.gov/eservices)



IRS Tax Map

- Find information from IRS.gov, forms, instructions, and publications—By Topic
- [IRS.gov/taxmap](https://www.irs.gov/taxmap)
- taxmap.ntis.gov





Web Pages for Forms & Pubs

- [IRS.gov/form1040](https://www.irs.gov/form1040)
- [IRS.gov/form6251](https://www.irs.gov/form6251)
- [IRS.gov/pub17](https://www.irs.gov/pub17)
- [IRS.gov/w2](https://www.irs.gov/w2)
- [IRS.gov/schedulea](https://www.irs.gov/schedulea)

Form 1040, U.S. Individual Income Tax Return



Annual income tax return filed by citizens or residents of the United States.

Current Products

[Form 1040](#)

[Instructions for Form 1040 \(HTML\)](#)

[Forms and Schedules for Form 1040](#)

Recent Developments

[Important: Typhoon Haiyan Relief Efforts and Form 1040 products](#) -- 18-APR-2014

Other Items You May Find Useful:

[All Form 1040 Revisions](#)

Summary of Topics

- New and revised forms
- AMT
- Capital gains
- Direct deposit
- E-Signatures
- Web resources

